

CLEAN CITIES INCREMENTAL COST OF HEAVY-DUTY HYBRID ELECTRIC VEHICLES (HEVs): DE-PS26-05NT42396-01F

ESTIMATED FUNDS AVAILABLE: \$200,000

ESTIMATED NUMBER OF PROJECTS: 1 -2

FUNDING CEILINGS/EXPECTED RANGE OF FUNDING: \$200,000 maximum per project

COST SHARE REQUIREMENTS: None. 100% of the incremental cost of the heavy-duty HEVs is available.

QUALIFICATION CRITERIA: States must submit special project applications in partnership with their local, officially-designated (or approved for designation) Clean Cities coalition. Only projects located in active, designated (or approved for designation) Clean Cities are eligible for funding. An "active" coalition is one with a valid and approved memorandum of understanding with DOE. "Approved for designation" means that DOE has authorized a designation ceremony for a coalition. A separate application for each coalition must be submitted. Failure to comply with this qualification criteria will deem the application non-responsive and will not be considered for comprehensive evaluation.

BACKGROUND AND OBJECTIVES: The goal of the U.S. Department of Energy's (DOE) Clean Cities initiative is to decrease the nation's dependence on petroleum in the transportation sector through public/private Clean Cities partnerships formed around the country by:

- Accelerating the development of a sustainable alternative fuels market
- Accelerating the use of idle reduction technologies
- Accelerating the use of hybrid vehicles
- Increasing the use of alternative fuel blends in petroleum fuels
- Promoting informed consumer choice on fuel economy

PROJECTS REQUESTED/AREA OF INTEREST: Funding is available for the incremental cost of new highway-certified heavy-duty HEVs. Incremental costs for heavy-duty HEVs must be calculated based on the net price difference between the proposed heavy-duty HEV and a similarly equipped, conventional fuel vehicle after all other applicable manufacturer and local/State rebates and cash equivalent incentives are applied. Information, based on manufacturer bids, must be included in the application to support the costs of the heavy-duty HEVs to be acquired.

Estimates of conventional fuel displacement shall be provided both per vehicle, and in total, over the projected ownership period of the heavy-duty HEVs (not the heavy-duty HEV lifetime). Fuel displacement shall be based on the fuel consumption of a comparable conventional fuel vehicle whether heavy-duty HEVs are replacing older vehicles or are additions to the existing fleet.

Projects are sought that will contribute to a sustainable heavy-duty HEV market and potential for future growth without additional Federal funding. Evidence of this shall be provided as part of an explanation of the fleet's future operating plans.

Heavy-duty HEVs that are acquired with SEP Special Project funds must display a Clean Cities decal that will be provided by DOE. Applications must describe how local communities, stakeholders, fleet operators, media and the general public will learn about the benefits of heavy-duty HEVs.

If project management costs are included in the budget, the project manager must be identified and his/her responsibilities described. Project management costs are not the same as administration costs.

Applications must include the Clean Cities Heavy-Duty HEV Cover Sheet (Attachment 1) which summarizes significant application elements.

EVALUATION CRITERIA: Applications that satisfy the qualification criteria identified above, will then be evaluated and ranked by the following criteria:

1. Probability of project success based on the technical feasibility of the project, thoroughness of project implementation plan, identification and qualifications of appropriate team members, past performance of the team members, and quality of supporting documentation; that is, fleet and financial letters of commitment, letters with heavy-duty HEV cost estimates, and a coalition support letter. The application should demonstrate that the team has sufficient expertise and experience to bring the project to a successful conclusion. Successful prior project management experience with heavy-duty HEV deployment and the performance track record of recipients of all previous State Energy Program (SEP) Special Projects Clean Cities grants will be taken into account. Applicants must describe the status and results of all previous SEP Special Projects Clean Cities grants in the application. **(Weight 35)**
2. Energy security benefits indicated by fuel displacement per vehicle. Estimates of fuel displacement must be provided both per vehicle and in total. **(Weight 35)**
3. Probability of increasing awareness and acceptance of heavy-duty HEVs among target sectors in the local community including, but not limited to, current stakeholders, fleet operators, media, and the general public. The intent to display Clean Cities decals on heavy-duty HEVs must be stated. **(Weight 20)**
4. Anticipated project benefits, cost effectiveness of project based on the amount of petroleum displaced; cost per gallon displaced. Active participation from other coalition stakeholders and partners are strongly encouraged. **(Weight 10)**

Attachment 1.
Incremental Cost of Heavy-Duty HEVs Application Cover Sheet

Applicant/State:

Sub-grantee:

Supporting Coalition Name:

Project Total: \$

Amount Requested: \$

Non-Federal Cost Share Committed, if any:

Number of Heavy-Duty HEVs:

New or Addition to Existing Fleet:

Estimated Annual Petroleum Displacement:

Per vehicle:

Per project: